

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

loanDepot.com, LLC,

Plaintiff,

v.

**STEVE SCHNEIDER, CINDY SMOLIN,
SAMANTHA SIEGEL, FERNANDA
BASKE, BOB BOWMAN, and
CROSSCOUNTRY MORTGAGE, LLC,**

Defendants.

Case No. 22-cv-1874

Judge Lindsay C. Jenkins
Magistrate Judge Sheila M. Finnegan

JOINT STATUS REPORT

Pursuant to the Court's March 30, 2023 Order (ECF No. 249) the Parties submit this Joint Status Report.¹

1. Relevant Background.

On March 30, 2023, this Court granted a motion filed by the Individual Defendants, which CrossCountry joined, to stay these proceedings in their entirety pending the outcome of arbitration. loanDepot partially opposed the Individual Defendants' motion and CrossCountry's joinder (specifically, loanDepot objected to staying the entire action, including discovery on CrossCountry) (ECF Nos. 230, 233, 249.)

2. Status of Arbitration and Litigation Since the Court-Issued Stay.

a. **Arbitration Status and Resolution Efforts.** loanDepot and the Individual Defendants proceeded into arbitration and exchanged written discovery responses on April 14, 2023 while working toward an agreed exchange of documents and information. In early June

¹ Throughout this joint submission, defendants Bob Bowman, Cindy Smolin, Fernanda "Faye" Baske, Steve Schneider, Samantha Siegel, and John Noyes are collectively referred to as the "Individual Defendants."

2023, the Parties stipulated to a stay of the arbitration (and several other litigation matters between loanDepot and CrossCountry) pending the outcome of a global mediation, which ultimately occurred on September 8, 2023. The mediation was unsuccessful. Accordingly, loanDepot and the Individual Defendants have again begun working toward completing arbitration discovery. On October 2, 2023, the arbitrator set a revised arbitration hearing date for the week of **June 3, 2024**.

b. Statement Regarding Arbitration Discovery.

- i. On May 17, 2022, because the Court stayed this action in its entirety, loanDepot issued a third-party subpoena to CrossCountry (“the Subpoena”) seeking relevant documents and communications necessary for the arbitration. This includes (a) relevant text and e-mail communications between and among CrossCountry representatives pertaining to the recruitment of Individual Defendants and the incentives offered to the Individual Defendants; and (b) financial data for the CrossCountry branches where Individual Defendants were and/or are employed. CrossCountry will be serving written objections to the Subpoena on or before October 10, 2023, and intends to work cooperatively with loanDepot to reach a resolution on the scope of the Subpoena. loanDepot also intends to request the depositions of Beth Lewis and Rob Sampson of CrossCountry, which loanDepot believes to be core percipient witnesses for loanDepot’s claims in both the arbitration and this action before this Court. loanDepot has not yet requested these depositions from CrossCountry.
- ii. CrossCountry and loanDepot are negotiating in good faith to resolve any disputes regarding the above matters to avoid the need for Court or arbitrator intervention.

c. **Status of Protocol Completion.** Individual Defendants have worked with the third-party forensic examiner Charles River Associates (“CRA”) to perform a full remediation of loanDepot’s alleged trade secrets and confidential information within their personal systems and accounts and are also in progress of returning and remediating documents and data on Individual Defendants’ personal devices and have completed remediation on Individual Defendants’ personal accounts (in total, over 115,000 documents). CrossCountry is likewise in the final stages of working with CRA to return and remediate approximately 8,000 records within its systems and accounts pursuant to this same process.

The Parties thank the Court for its time and consideration and remain available should the Court have any questions or concerns.

Respectfully submitted,

Dated: October 3, 2023

/s/ Jeffrey L. Widman

One of Their Attorneys

Jeffrey L. Widman
jwidman@foxrothschild.com
Alexandria Rhoades
arhoades@foxrothschild.com
FOX ROTHSCHILD LLP
321 N. Clark St., Suite 1600
Chicago, IL 60654
312.980.3807

Attorney for INDIVIDUAL DEFENDANTS
Bob Bowman, Samantha Siegel, Cindy
Smolin, Faye Baske, and Steve Schneider

/s/ James M. Witz

One of Its Attorneys

James M. Witz
jwitz@littler.com
Richard T. Kienzler
rkienzler@littler.com
Colton D. Long
clong@littler.com
LITTLER MENDELSON, P.C.
321 North Clark Street Suite 1100
Chicago, IL 60654
312.372.5520

Jessica F. Pizzutelli
jpizzutelli@littler.com
admitted pro hac vice
LITTLER MENDELSON, P.C.
375 Woodcliff Drive, Suite 2D
Fairport, New York 14450
585.203.3400

Attorneys for PLAINTIFF loanDepot

/s/ Brent D. Knight

One of Its Attorneys

Brent D. Knight
bdknight@jonesday.com
JONES DAY
77 West Wacker, Suite 3500
Chicago, IL 60601
312.269.4290

Michael A. Platt
maplatt@JonesDay.com
JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
216.586.7221

**Attorneys for DEFENDANT
CrossCountry Mortgage, LLC**

CERTIFICATE OF SERVICE

I certify that on October 3, 2023, a true and correct copy of the above **Joint Status Report** was filed via the Court's CM/ECF filing system, which served copies on counsel of record for all parties to this action.

/s/ Colton D. Long
Colton D. Long